1-26-76 A4 5

Inquiry Shows Secret Aid To Many Foreign Leaders

House Panel Says a Third of Intelligence Operations Involved Funds for Political Parties—$75 Million Went to Italy

Special to The New York Times

WASHINGTON, Jan. 25 — Nearly one-third of the hundreds of covert intelligence operations undertaken by the United States over the last decade have involved secret financial support to foreign political parties and government leaders, according to a report by the House Select Committee on Intelligence.

The panel found that while the majority of such aid had been funneled by the Central Intelligence agency into the developing countries. The United States also supplied some $75 millon to Italian political parties and candidates since the agency was established in 1947.

That figure includes some $10 million supplied by the C.I.A. to non-Communist groups in Italy, principally the Christian Democratic Party and 21 individual candidates for office, in an effort initiated by American Ambassador Graham Martin to counter Soviet political influence in last June's Italian partliamentary elections, the committee has found.

Documents and other evidence supplied to the committee's investigators by the C.I.A. also showed that one unidentified third-world leader received $960,000 in political aid from the United States over 14 years and that several other foreign heads of state had been supported financially for over a decade.

Security Council Arm

Those findings grew out of the House panel's inquiry, the most extensive ever, into the operation of the Forty Committee, the arm of the National Security Council that, under the National Security Act of 1947, has responsibility for approving in advance covert intelligence operations proposed by various agencies.

Rather than showing any sort of long-term pattern by the United States to influence the course of world politics and other events toward a single goal, the report said, the covert actions taken demonstrate by their diversity "a general lack of long-term direction in U.S. foreign policy."

Federal funds, the committee found, have over the years been secretly channeled by the C.I.A. to "a plethora of foreign religious professional and labor organizations," a well as political groups and military undertakings.

The committee declared in its report that it had found the Forty Committee to have often been "little more than a rubber stamp." It noted that the group had held only one formal meeting between 1972 and 1975 and had on some occasions been bypassed by White House officials altogether.

Other Initiatives

Although the committee found that 88 percent of the proposals made to the Forty Committee since 1965 had come from the C.I.A., it discovered that proposals also had been initiated or submitted by the Defense Department, the State Department, an ambassador (Mr. Martin). a Cabinet member and "a foreign head of state," as well as President Nixon and his national security assistant, Henry A. Kissinger.

The head of state, who like other American and foreign officials was not identified in the House report, was said by informed sources to be the Shah of Iran.

The proposal in question was his plea to Mr. Nixon and Mr. Kissinger for American military support to Kurdish troops fighting guerrilla actions against the Iraqi Government in northeastern Iraq, with which the Shah had not been on good terms.

According to the committee, political financing operations made up 32 percent of the proposed covert actions approved by the Forty Committee since 1965.

An almost equal number of operations set in motion concerned "media and propaganda" projects that involved high levels of sensitivity or expense, which 27 percent of the approvals were for transfers by the C.I.A. of arms and paramilitary equipment to "secret armies" and other groups, like the Kurdish rebels, that were "engaged in hostilities."

The report termed the third category the most costly. It noted that the "great majority" of such military operations had been ordered or proposed from outside the C.I.A., in many cases over the agency's objections.

In some instances, it said, the agency was used by the Department of Defense to ship arms that could have been supplied through established military assistance programs that were not used because the Pentagon "did not desire to return to Congress for additional funds and approval."

The committee said it discovered that only especially sensitive or costly covert operations had been proposed to the Forty Committee for approval, and that an undetermined number of less significant programs had been set in motion by the C.I.A. on its own.

Standards Unknown

One informed source said that the House committee had been unable to learn what standards had been applied by the Directors of Central Intelligence over the years in deciding whether to submit proposals to the Forty Committee.

But the report noted that there had been "a general decline" since 1965 in the number of covrt operations approved by the Forty Committee, a trend that it attributed to an increasing reluctance by the C.I.A. to label projects particularly sensitive or unusually costly.

The Forty Committee is now made up of the President's national security adviser, the Deputy Secretary of Defense, the Under Secretary of State for Political Affairs. the chairman of the Joint Chiefs of Staff and the Director of Central Intelligence.

Procedures for seeking the committee's approval, the report said, have changed over the years in response to different Administrations, political conditions and personalities, and the approval process has at times been "relatively informal, extraordinarily secretive and pro-forma."

Summary Orders

Although the report conceded that the origin of many covert action projects was "murky at best," it said there was unmistakable evidence that "on several occasions involving highly sensitive projects, the C.I.A. was summarily ordered by the President or his national security adviser to carry out a covert action program."

Many of the operations approved by the Central Intelligence Agency without having been sent to the Forty Committee, the House report said, involved financial support for friendly foreign news media. major propaganda efforts, the insertion of articles in the foreign press and the distribution of books and leaflets.

The largest single recipient of such funds was described as a European publishing house that, since 1951, has been financed entirely by the C.I.A.

Only a quarter of the total press and propaganda program. the report said. was directed by the agency at Soviet-bloc nations, and it said that much of that involved clandestine delivery of Western literature to those countries and exporting to the West of works by dissident Soviet authors.